



SOCIAL IMPACT REPORT 2016

INTRODUCTION

Hi!

Thanks for checking out the 2016 Social Impact Report. Purnaa, an ethical sewing manufacturer in Nepal, is a social enterprise with a mission to empower those marginalized by society to fresh starts and fulfilled lives. We primarily do this by creating job opportunities for survivors of abuse and exploitation and those discriminated against because of caste, religion or disease.

At Purnaa, we gauge our success by the lives we impact and we reinvest 100% of profits to further our social mission. In order to evaluate our social impact, we conduct an annual survey that is filled out by each of the staff at Purnaa. It is a condensed version of a WHO quality of life assessment and has 33 questions. Most questions have a 5-point scale ranging from Strongly Agree to Strongly Disagree. The questions assess quality of life in 5 areas:



1. Economic



2. Physical Health



3. Living Situation



4. Emotional Health



5. Relationship with others

This is our third consecutive year conducting the surveys and we are beginning to see some encouraging trends emerging. We also use this assessment to see how we can improve and grow Purnaa as a great place to work. We have a high value on transparency and so we are happy to share the full survey with those who are interested. Please contact us at info@purnaa.com. In the meantime, enjoy our summary of the most interesting results.



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ABOUT US

Our Mission

World class ethical garment and accessories manufacturing to empower the most marginalized to fresh starts and fulfilled lives.



Our Core Values

LOVE:

We do to others what we would want them to do to us.

EXCELLENCE:

We always do our best work, even in the small things. We always try to improve.

INTEGRITY:

We do the right and honest thing even when nobody is watching.

JUSTICE:

We give equal opportunity, fair rewards and consequences, and champion the rights of those who do not receive just treatment in society.

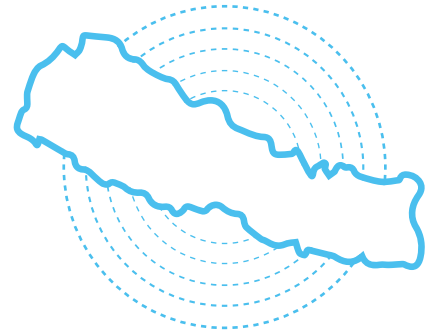
BEAUTY:

We create beauty in our products, workplace, our environment, and in our staff.

Why Nepal?

We choose to operate in Nepal to work against the many challenges the people here face:

- » Nepal has very high levels of human trafficking (13th out of 167 nations on the Global Slavery Index with 234,600 people estimated to be living in slavery)
- » It is still recovering from the 2015 earthquakes and the subsequent extended blockade of necessary goods at the India border,
- » Nepal is the second poorest nation in Asia,
- » Many Nepalese still lack access to electricity, clean water, roads, and jobs.
- » Unemployment currently stands above 40%. As a result, 15% of Nepalese are currently working outside the country, often in situations that make them extremely vulnerable to abuse, sexual exploitation, and bonded labor.



We were delighted to see in the survey results, that the quality of life of employees at Purnaa continues to improve and that, with dignified work opportunities, we have been able to address many of the challenges listed above. At Purnaa, employees receive fair wages, literacy classes, job-skills and life-skills training, health care, and employer matched savings, all in a positive work environment. All Purnaa employees are also eligible for school scholarships for their children. In this way, we hope to equip the next generation to become less vulnerable to exploitation and to break free from the cycle of poverty.

GUARANTEED FAIR TRADE

We became full members of the World Fair Trade Organization Asia in March 2017, but even before that we were intentional to practice and adhere to the **'10 Principles of Fair Trade'**.



2016 PURNAA BY THE NUMBERS



43 people employed
in 2016



70% from marginalized
backgrounds



20%
Male



80%
Female



13

New jobs
created



128

people supported as a
result of Purnaa salaries



60%

of staff are the primary
income earners



500

Man-hours spent on
job skills training



17

People trained into new
job-roles for new roles



40,000

Items shipped
to clients



123

Sustainable fabrics
from reliable suppliers



28

Children awarded
scholarships



12,000

Lunches served



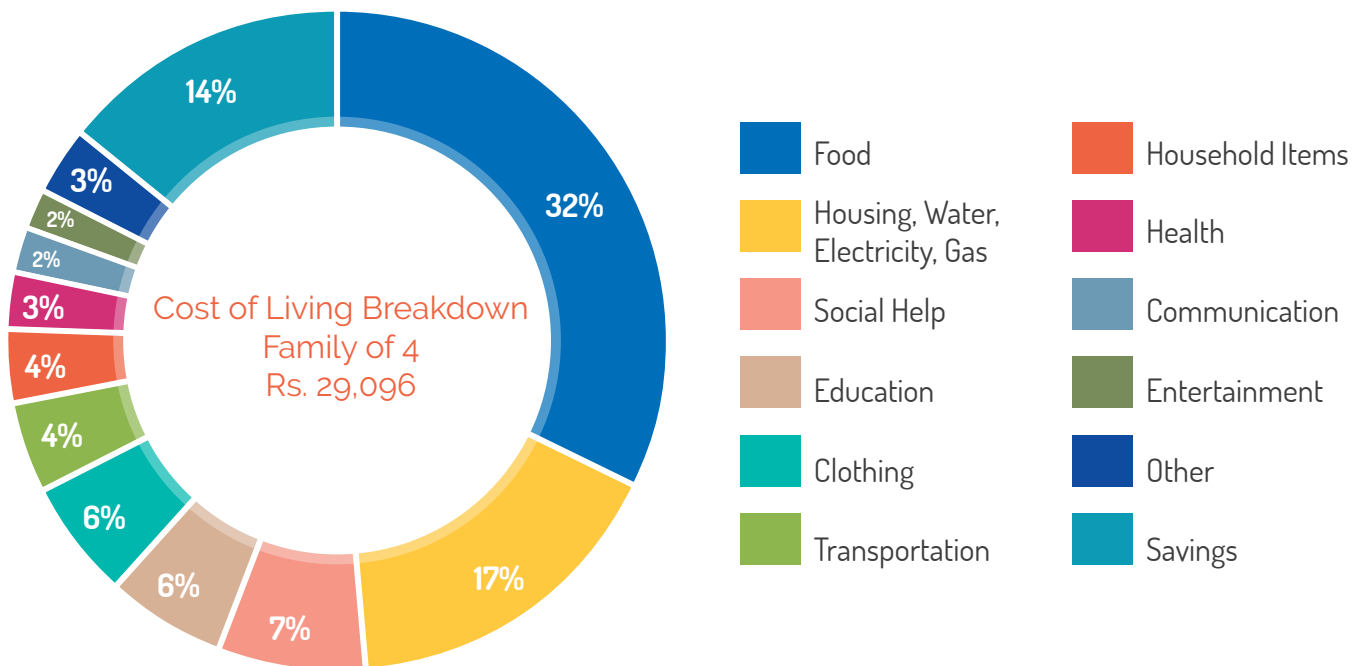
71

Birthdays of Staff and
Their Children Celebrated

ECONOMIC SITUATION

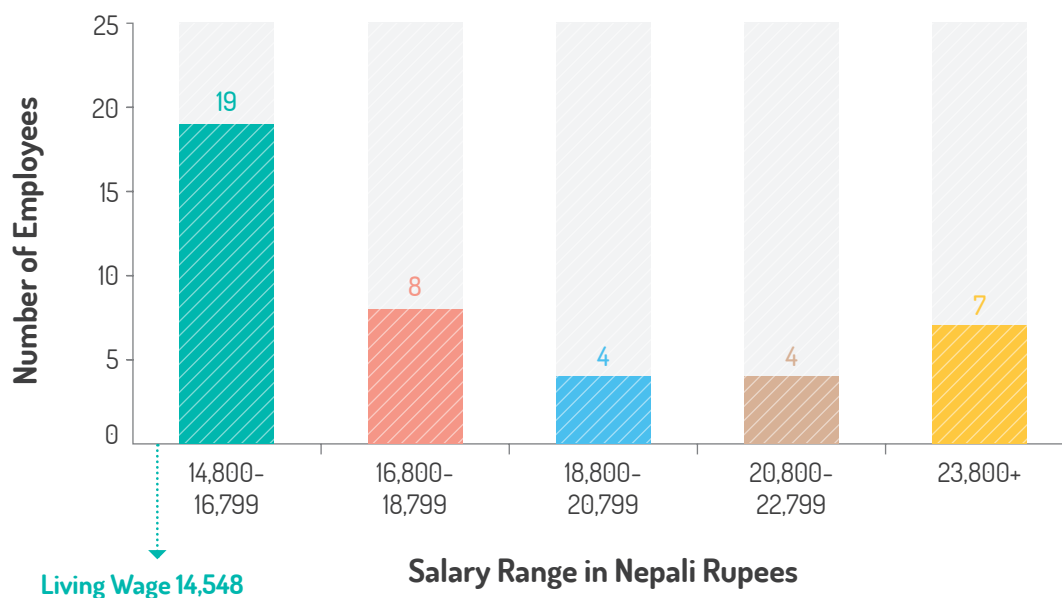


Living Wage Breakdown



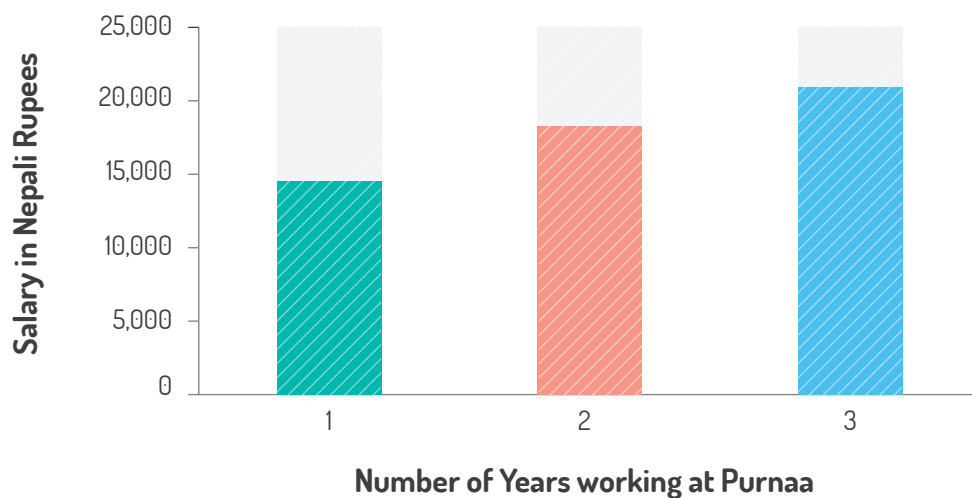
We use NPR 29,096 as our the living wage benchmark for a family of four in Nepal, as published by the Fair Trade Group Nepal. The living-wage expenses for a family of four are expanded in the above chart. Living wage calculations assume that there are two working adults in that family of four, so a minimum wage for a single person is NPR 14,548 per person.

Salary and Benefits Distribution



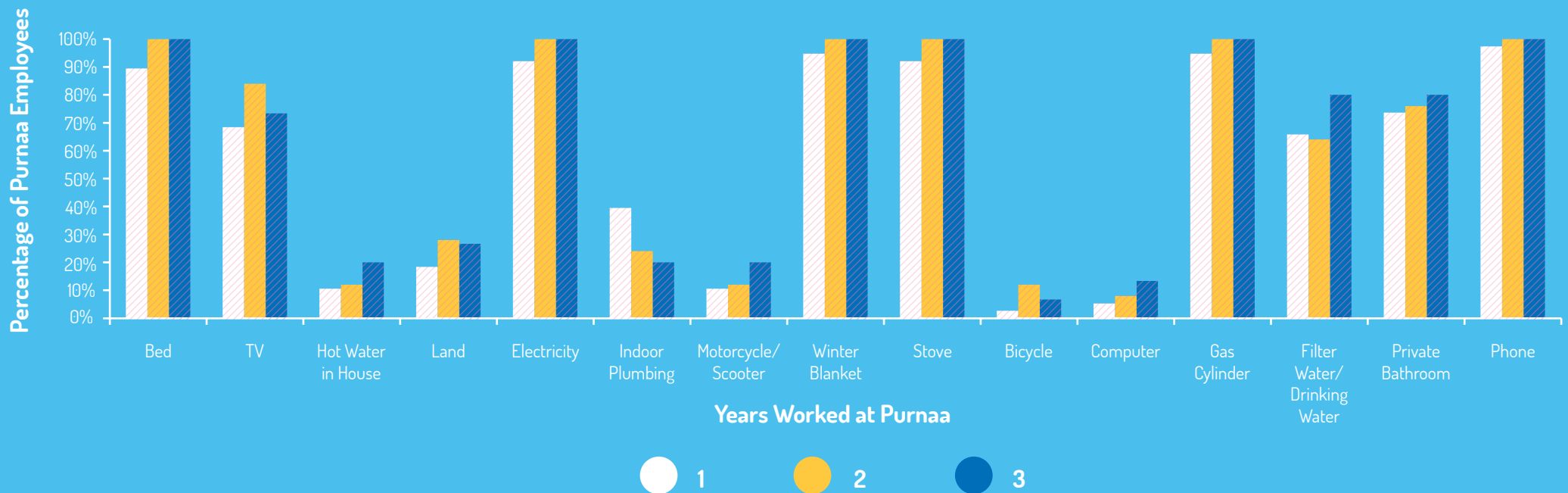
Purnaa's employees earn salaries and benefits from a minimum of NPR 14,800 per month and up. The distribution of employee salaries and benefits is shown in the above graph.

Average Salary and Benefits



We are pleased to continue the trend of increasing our staff's earning potential with each year of work with Purnaa. On average, an employee earns 25% more after one year, and an additional 15% more after two years.

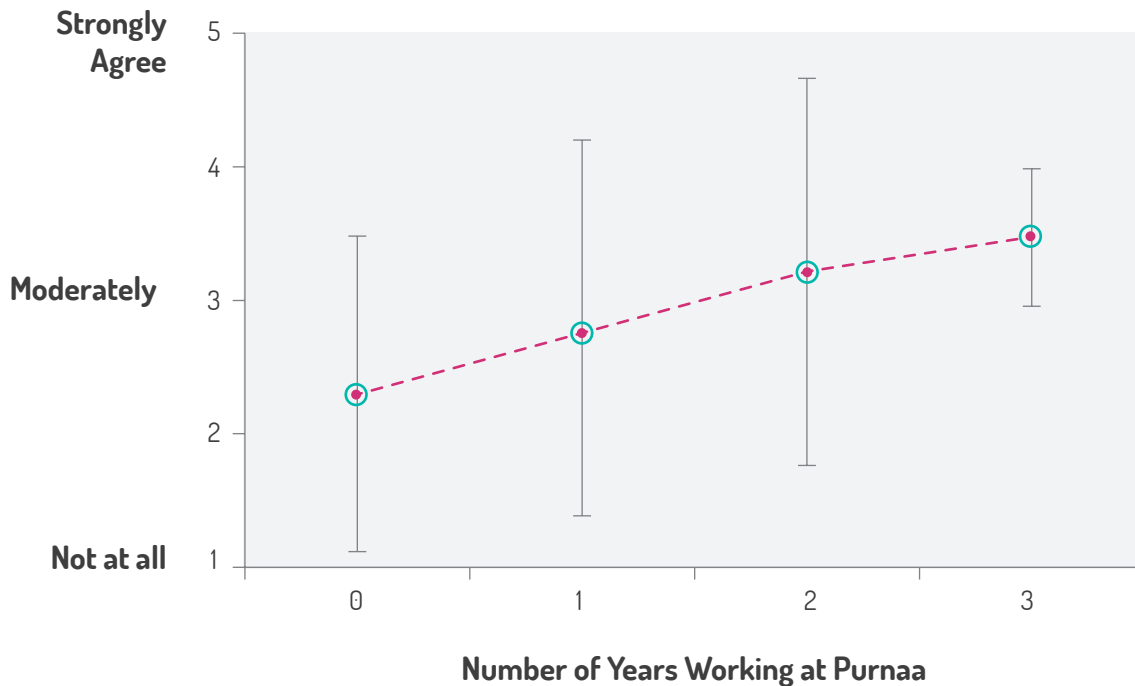
Employee Ownership of Goods



While we ensure Purnaa's staff make a living wage as defined by the Nepal Fair Trade Group, it is interesting to see what items "living wage" can actually provide in Nepal. We are pleased to see an increase in ownership of many items in the above graph, especially to see many necessities are at 100% ownership. But, we would like to continue making progress in our ability to raise standards of living in water resources (indoor plumbing, hot water, and water filters.) Water scarcity is a severe problem in Kathmandu, government piped water is non-existent, and heating systems remain expensive.

PHYSICAL HEALTH

Confidence in Family Member Health

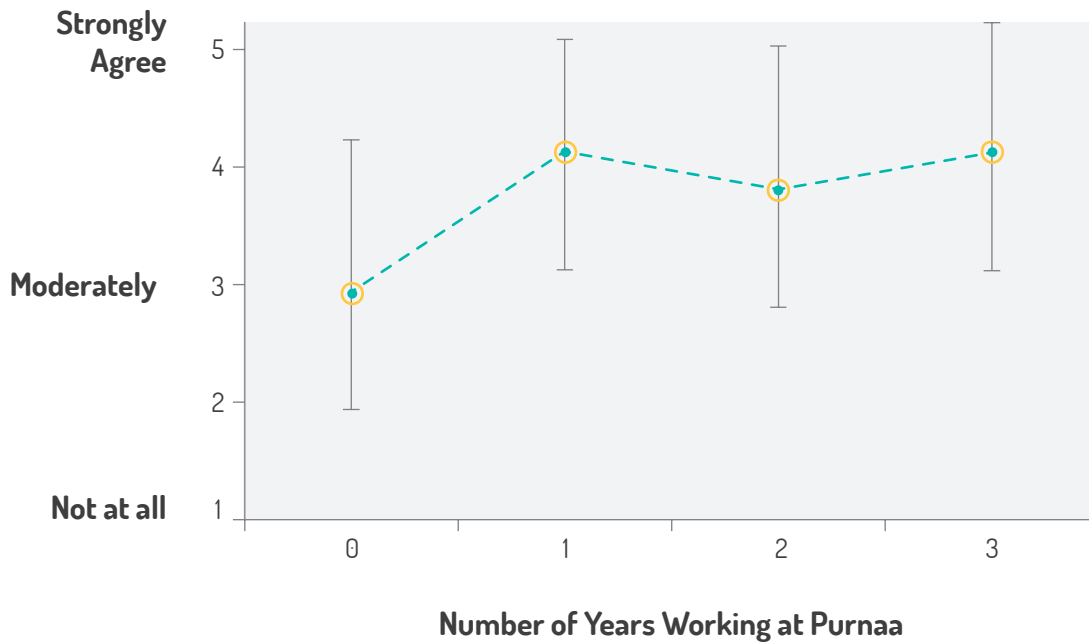


At Purnaa, all staff have a healthcare plan, in which the company reimburses health costs up to NPR 10,000 per year per staff member and an additional NPR 5000 per dependent child.

While our survey responses showed health gains across the board, we especially noted improvement in the health of our worker's family members. In the graph above, we see steady improvement of family health over time, and a decrease in variation of responses with time, showing those that had worked with Purnaa for 3 years were reliably reporting better family health.

LIVING SITUATION

I Feel Safe in My Daily Life



The above graph shows that the average perception of safety increases after getting employment with Purnaa, but has remained relatively constant with subsequent years of employment.

After the 2015 earthquake, many staff members reported a drop in their feelings of safety at home. Most of these people were in their second year of working at Purnaa when they reported this, which is why we see a dip in the graph in Year 2.

There continues to be a scarcity of safe and affordable options in the Kathmandu valley. Many Purnaa staff have relocated to be closer to the Purnaa office and generally into safer structures. However, some staff have had to relocate several times, sometimes living in temporary situations, which can decrease their sense of safety in normal life.

ABUSIVE RELATIONSHIPS

This year we frequently encountered a serious threat to the health and safety of Purnaa staff: abusive relationships at home. Before coming to Purnaa, some of our female staff established informal marriages to find protection when living in situations of extreme vulnerability. Many of these relationships are abusive.

GUILT

Often the Purnaa staff person is the primary income earner for the family. There is a pressure that comes with that and a fear that if she were to leave the abusive partner, it could lead to him ending up back on the streets. Sometimes a husband has helped them in the past when they were struggling with addiction or serious illness so they feel a sense of debt and obligation.

CITIZENSHIP

In Nepal, women and children are not able to receive citizenship without the signature and approval of a male family member. Many women at Purnaa do not have family so their husband must vouch for their own and their children's citizenships.

NO OTHER OPTION

Often, we see that women do not feel like they have any other options. If they leave their husband they will likely lose all of their possessions as well. They also fear the husband will be able to find them and hurt them and their children.

Here are a few potential solutions that Purnaa will be working towards coordinating in 2017.

COUNSELING

Marital counseling could be very beneficial. Husbands are often coming from equally marginalized and traumatic situations. They can be healed and changed, but are often resistant to help. When a husband is unwilling to change, counseling for the wife can help her to get to the root of her guilt and attachment and empower her to leave.

LEGAL SOLUTIONS FOR CITIZENSHIP

Nepal needs to change its citizenship laws. To do this, we need justice focused legal organizations to advocate for change and assist women without family to gain citizenship.

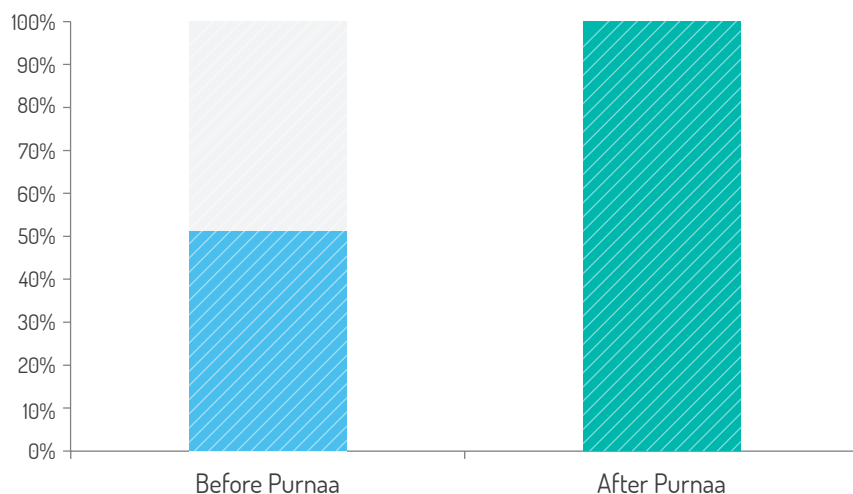
SHELTER/TRANSITIONAL SUPPORT

In order to help women see they have a way out of an abusive relationship, there needs to be somewhere they can go. These kinds of shelters exist but they often only take minors and are not for women and children. Nepal needs greater knowledge and connection of the resources available to help those in abusive relationships to realize they have choices.

EMOTIONAL HEALTH SITUATION

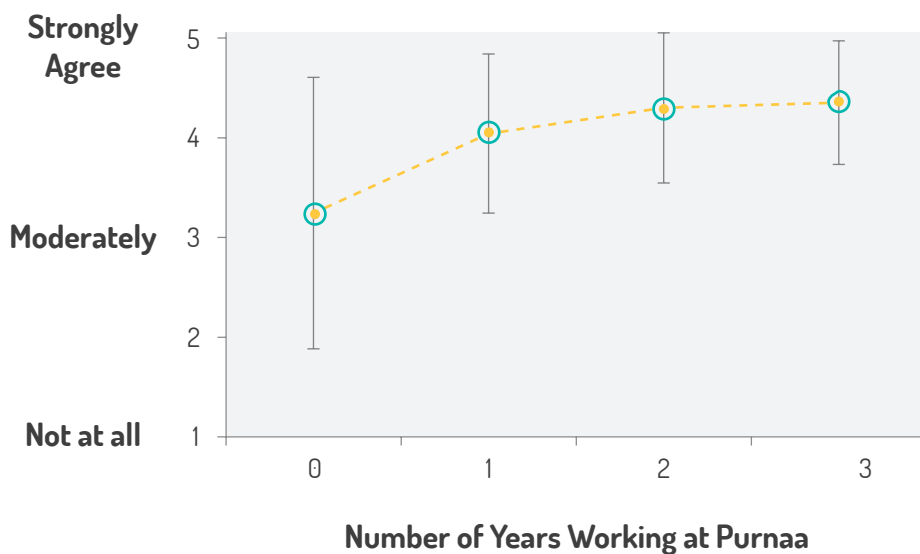


Hope for the Future



With Purnaa's mission of empowering fresh starts and fulfilled lives, we are ecstatic to see that all respondents say their level of hopefulness about the future is moderate or above.

I Value Myself

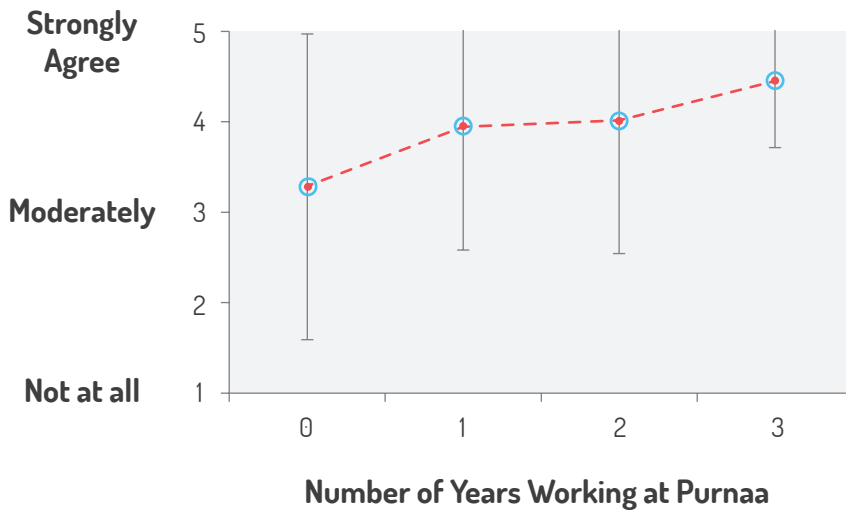


We are also excited to see steady gains in perception of self worth, with each year of employment resulting in a higher average response to "I value myself."

RELATIONSHIP WITH OTHERS



Accepted by Community



As Purnaa staff make a steady income, hold a job at a respected company, participate in dignified employment, send their kids to school, and perhaps work in leadership positions, they become respected members of their neighborhoods. We are pleased to see staff having a steadily increasing perception of acceptance by their community.

Feels Included in Family Decisions



Nepal traditionally has a male dominated society. 80% of Purnaa's staff are women. We are pleased to see a steady increase of women who rated "inclusion in family decisions" at moderate or higher, becoming 100% of staff members who have worked with us for 3 years.

A key way to empower staff into fresh starts and fulfilled lives is to equip them with necessary life-skills, a fresh understanding of self-worth and tools for fostering healthy relationships. We conduct many trainings to encourage this growth. Some of the topics covered include:



PURNAA'S EMPOWERMENT FUND

As we see thus far in the report, many improvements in quality of living come simply as a result of having steady and dignified employment. However, there are some services that Purnaa ensures employees can access that go beyond those traditionally provided by an employer. We find these extras are needed in order for us to successfully fulfill our social mission of empowering marginalized and exploited people to fresh starts.

Because at Purnaa we intentionally create opportunities for people marginalized by society, this means that we are often hiring those without formal educations; Sometimes this is people from so-called "low castes" who were denied opportunities to succeed. Some of our employees escaped after being sex trafficked; Some are people who fled abusive workplaces or labor exploitation. Some of those that we hire are not literate. Many come without any formal job skills to offer. Some come without basic life skills. Many are single moms. Some are HIV victims who have been shunned by family. Others have been discarded after changing religion. However, all of those that we hire are looking for opportunities to work hard, learn new skills and start fresh.

So, in 2016, we established Purnaa's Empowerment Fund to financially assist employees who need extra help to get healthy and to "catch up" in life. This assistance is made possible by private donations. We partner and contract with local counselors, shelters, hospitals, schools and government offices to ensure employees have access to:



1. Life-Skills Training

Literacy, Numeracy, Nutrition, Parenting, Budgeting, etc.



3. Assistance Moving

Helping with the initial transition from the streets or shelters.



2. Trauma Counseling

Many employees have endured and now escaped from traumatic situations. Sessions with a counselor implementing "Trauma Based Cognitive Behavioral Therapy" help them to heal more quickly.



4. Empowerment Programs

Teaching job skills, Sewing, Basic math, Detail awareness.



5. School Scholarships

For the children of employees.

IN THEIR WORDS



“ Before I didn't have anything and I couldn't help anyone, now I can. ”



“ Because of Purnaa's work culture, I feel very safe in my daily life. ”



“ My son, husband and I all have access to medical care because of the medical re-imbursement Purnaa gives. ”

“ Because Purnaa has given me work I have hope for my future. ”



“ Here we are given good training and everyone is given opportunities to grow and become leaders. ”



“
Before I started work at Purnaa
both my children couldn't live
with me. Now they can.
”



“
Working at Purnaa
has taught me to treat
everyone equally. It
doesn't matter where
they've come from.
”

“
At Purnaa people
are treated with
dignity and we help
people who are in
need.
”



“
Now I can earn
money and take care
of my children and I
don't have to stay in
a shelter.
”



“
At Purnaa, people
who don't have a
good education get
a chance to learn.
”



“
I have learned a lot
at Purnaa, now I am
able to teach others.
”



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